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May 13, 2005

Ref: 3859-23440

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Hearing Application
Marg Tex Zone, Reservoir A
EDGERLY FIELD
Calcasieu Parish, Louisiana
Applicant: Peoples Energy Production-Texas L.P.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Peoples Energy Production-Texas L.P.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Marg Tex Zone, Reservoir A, Calcasieu Parish, Louisiana.

1. To create four (4) single drilling and production units of approximately 156 acres for the Marg Tex Zone, Reservoir A, designated as the MT RA SUA, MT RA SUB, MT RA SUC and MT RA SUD, Edgerly Field, Calcasieu Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of oil and gas from the said units;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in unit production on a surface acreage basis of participation;
4. To designate Peoples Energy Production-Texas L.P. as operator of the units created herein and to designate unit wells for each such unit as shown on the attached plat.
5. To provide that the Commissioner of Conservation should be authorized to reclassify the sand and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of each reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation, and
6. To consider such other matters relating to the subject as may be appropriate and justified by the evidence presented at the public hearing.

The Marg Tex Zone, Reservoir A in the Edgerly Field, Calcasieu Parish, Louisiana is hereby defined as being that oil and gas bearing zone encountered between the measured

GAMD-laf:30157-1

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One American Place • 301 Main Street, Suite 1600 • Baton Rouge, Louisiana 70825 • (225) 381-9643 • Fax (225) 336-9763
2200 West Loop South, Suite 1050 • Houston, Texas 77027 • (713) 333-5500 • Fax (713) 333-5501

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May 13, 2005
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depths of 7,941 feet and 8,242 feet in the Peoples Energy Production-Texas, L.P. No. 1 North American Land Company Well, located in Section 33, Township 9 South, Range 11 West.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on May 11, 2005. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. William F. Bailey who introduced Mr. Remy Williams of W. H. Robbins & Associates who presented the bases for the plan of applicant. Messrs. Randy Songy and David Comeaux on behalf of North American Land Company presented a plan similar to that of applicant, except as to the proposed MT RA SUA in which they presented their geological bases for eliminating certain of the southern acreage thereby making this proposed unit much smaller than the approximately 156 acre unit of applicant. Mr. Stan Warburton, on behalf of H. C. Drew presented a plat with the same units as applicant, but indicating thereon the existing Voluntary Unit Agreement area and stating he would present this plat to emphasize his client's position that the Voluntary Unit Agreement remains in effect as to the ownership of his client in the acreage therein in the proposed units. This contention will be opposed at the hearing. Mr. Don Northcutt presented a plat which adds all of his acreage to proposed MT RA SUA and MT RA SUD. Subsequent to the conference, differences with North American Land Company were resolved and applicant will present its original plan as to the units proposed by it. It is expected that North American Land Company will support the plan of applicant. It is expected that Mr. Don Northcutt may present a plan, including all of his acreage and that Mr. Warburton will present a plat showing the location of Voluntary Unit. It appears that there may be opposition to the applicant's proposal at the public hearing.

Attached hereto and made a part hereof is a plat outlining the MT RA SUA, MT RA SUB, MT RA SUC and MT RA SUD, Edgerly Field, Calcasieu Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this hearing application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Remy Williams of W. H. Robbins & Associates, 302 La Rue France, Suite 100, Lafayette La 70508 (337) 232-5004.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,


William F. Bailey

WFB/ht

Attachments

cc: Mr. Richard D. Hudson
District Manager
Office of Conservation

All Interested Owners, Represented Parties and
Interested Parties and parties
on attendance list

29 Pan-Am.
Pet. Corp.

Emmerson, et al

9S 11W 28

UN. SULPHUR
LA Sul.Mng.

Pan-Am. Pet. Corp.

YOUNT LEE
LA Sul.Mng.

Allied
Chemical Co.

27

34

3

32

TOWN OF
EDGERLY

HWY. 388

NGS Mon.
"412B RESET"

±5455'

U.S. EXPL.
DMTS

8100

GORDON ST.
DMTS

10354

U.S. EXPL.
DMTS

8105

GORDON ST.
DMTS

8153

DILLINGHAM EN.
DMTS

10500

Drew Manuel Training School

W.T. BURTON
DMTS

10260

Drew Manuel Training School

UNION SULPHUR
DMTS

4
8808

○ PROPOSED UNIT WELL

10S 11W

6978

North American Land Company

MT RA SUC
±156 ACRES

MT RA SUD
±156 ACRES

MT RA SUB
±156 ACRES

MT RA SUA
±156 ACRES

PEP
No.Am.Ld.Co. 4

8191MD
8069TVD

LA Sul.Mng.
2A

33

9455
st
9797

PEOPLES ENERGY 1A
No.Am.Ld.Co.

9733MD
9730VD

LA Sul.Mng.

9520

PEOPLES ENERGY
No.Am.Ld.Co.

9850

2

8210MD
8205VD

North American Land Company

PEOPLES ENERGY
No.Am.Ld.Co.

10500MD
10468VD

GULF
LA Sul.Mng. 3A

9655

Della Bel Krouse, et al

Claudius
A. Mayo,
et al

EXHIBIT NO.
DOCKET NO.

DATE:

PEOPLES ENERGY PRODUCTION-TEXAS L.P.

EDGERLY FIELD
CALCASIEU PARISH, LOUISIANA

PROPOSED UNIT
MARG TEX ZONE

0 1000' 2000'



W. H. ROBBINS & ASSOCIATES LLC
CONSULTING GEOLOGISTS
Lafayette, Louisiana (337) 232-5004